

**JOSÉ DE MELLO SAÚDE, S.A.**

Head Office: Avenida do Forte, nº 3 - Edifício Suécia III, Carnaxide • Portugal

Share Capital: EUR 53,000,000, corporate number 502884665, registered under the same number at the Commercial Registry Office of Cascais

**Notice**

**Financial Results as of 30 June 2019**

During the first half of 2019, José de Mello Saúde presented a positive performance across the majority areas of its health care activity, versus the first half of 2018. The trajectory reflects the sustained operational growth, in parallel with the implementation of its investment strategy and geographical expansion:

- Operational income of 383.4 million euros, which represented a growth of 11.4% over the same period last year.
- EBITDA increased to 59.6 million euros (+56.0%) compared to the first half of 2018, mainly due to the sustained growth of healthcare activity, new expansion projects, implementation of IFRS16 and extraordinary revenue in the Public-Private Partnership of Braga, as a result from the favorable decision of the Arbitral Court regarding the State reimbursement of the vertical HIV programs’.
- Adjusted Recurring EBITDA, which excludes the extraordinary revenue in Braga (13.0 million euros) and nullifies the effect of IFRS16, reaches 44.1 million euros (an increase of +15.3%) and a margin of 11.9% (+0.8 p.p).
- Net Profit growth of 63.1% versus the first half of 2018, reaching 22.4 million euros.
- Net Debt to EBITDA ratio decreases from 4.84x to 4.39x, given the significant evolution of EBITDA and despite the increase of Consolidated Net Financial Debt of 62.1 million euros to 406.5 million euros, in line with the ongoing investment plan, namely CUF Tejo Hospital, CUF Sintra Hospital - whose first phase opened to the public in June - and CUF Torres Vedras Hospital.

## Consolidated Income Statement

(Million Euros) - Amounts not Audited	2019 Jun	2018 Jun	Var %
<b>Operating Income</b>	<b>383.4</b>	<b>344.0</b>	<b>11.4%</b>
Operating Costs	(323.8)	(305.8)	5.9%
<b>EBITDA</b>	<b>59.6</b>	<b>38.2</b>	<b>56.0%</b>
EBITDA Margin	15.5%	11.1%	+4,4 p.p.
EBITDA Current <sup>1</sup>	<b>46.6</b>	<b>38.2</b>	<b>22.0%</b>
EBITDA Current Margin	12.6%	11.1%	+1,5 p.p.
EBITDA Current Adjusted <sup>2</sup>	<b>44.1</b>	<b>38.2</b>	<b>15.3%</b>
EBITDA Current Adjusted Margin	11.9%	11.1%	+0,8 p.p.
Amortisation and Provisions	(20.7)	(17.3)	20.1%
<b>EBIT</b>	<b>38.9</b>	<b>20.9</b>	<b>85.5%</b>
EBIT Margin	10.1%	6.1%	+4,0 p.p.
Financial Income	0.7	6.3	-88.1%
Financial Costs	(8.4)	(7.6)	9.4%
<b>EBT</b>	<b>31.2</b>	<b>19.6</b>	<b>59.4%</b>
Taxes	(8.8)	(5.7)	55.2%
<b>Net Profit of exercise of discontinued operations</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0%</b>
Net profit attributable to non-controlling interests	0.1	0.2	-67.0%
<b>Net profit attributable to JMS Shareholders</b>	<b>22.4</b>	<b>13.7</b>	<b>63.1%</b>

<sup>1</sup>Extra receipt of 13,0 Millions Euros from Braga Public-Private Partnership was excluded

<sup>2</sup> IFRS16 effect was removed from EBITDA Current

- The impact of IFRS16 on José de Mello Saúde's financial statements is in line with that reported in the 2018 R&C, with an increase of 29.6 million euros in Total Assets and 29.9 million euros in Consolidated Net Financial Debt.



## Financial Position

(Million Euros) - Amounts Not Audited	2019 Jun	2018 Dec	Var.
<b>Non-current Assets</b>	<b>576.1</b>	<b>504.5</b>	<b>71.6</b>
Goodwill	45.6	45.6	0.0
Intangible assets	9.7	10.3	-0.6
Tangible fixed assets	508.1	438.9	69.1
Investments in associates	0.2	0.3	0.0
Other investments	5.4	2.1	3.3
Deferred tax assets	4.6	4.6	0.0
Other non-current debtors	0.4	0.6	-0.2
Other non-current assets	2.2	2.2	0.0
<b>Current Assets</b>	<b>315.9</b>	<b>312.7</b>	<b>3.2</b>
Inventories	13.9	12.7	1.2
Trade receivables and advances to suppliers	102.0	99.5	2.5
Other current debtors	10.7	10.9	-0.2
State and other public entities	16.8	4.0	12.7
Cash and cash equivalents	50.3	67.4	-17.1
Other financial instruments	35.2	35.2	0.0
Other current assets	87.1	83.0	4.1
<b>Total Assets</b>	<b>892.1</b>	<b>817.3</b>	<b>74.8</b>

  

(Million Euros) - Amounts Not Audited	2019 Jun	2018 Dec	Var.
<b>Total Equity</b>	<b>121.3</b>	<b>98.9</b>	<b>22.4</b>
Share capital	53.0	53.0	0.0
Retained earnings + Reserves	41.9	30.4	11.5
Net income	22.4	15.6	6.8
Interim dividends	0.0	-4.2	4.2
Non-controlling interests	4.0	4.2	-0.1
<b>Financial Liabilities</b>	<b>491.9</b>	<b>446.9</b>	<b>45.0</b>
Borrowings	393.7	382.2	11.5
Finance lease creditors	98.2	64.7	33.5
<b>Non-Financial Liabilities</b>	<b>278.9</b>	<b>271.4</b>	<b>7.4</b>
Employee benefits	1.3	1.3	0.0
Provisions	15.9	15.6	0.3
Trade payables and advances from clients	122.7	121.1	1.7
Other current creditors	19.3	19.0	0.4
State and other public entities	37.2	10.5	26.8
Deferred tax liabilities	13.3	13.3	0.0
Other current and non-current liabilities	69.0	90.7	-21.6
<b>Total Liabilities</b>	<b>770.8</b>	<b>718.4</b>	<b>52.4</b>
<b>Total Equity + Liabilities</b>	<b>892.1</b>	<b>817.3</b>	<b>74.8</b>